



General Assembly

February Session, 2006

Amendment

LCO No. 4550

SB0017204550HDO

Offered by:

REP. STONE, 9th Dist.

REP. GREENE, 105th Dist.

To: Subst. Senate Bill No. 172

File No. 143

Cal. No. 399

(As Amended by Senate Amendment Schedule "A")

**"AN ACT CONCERNING HOMEOWNERS, HOME IMPROVEMENT
CONTRACTORS AND NEW HOME CONSTRUCTION
CONTRACTORS."**

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. Section 20-429 of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective from passage*):

5 (a) No home improvement contract shall be valid or enforceable
6 against an owner unless it: (1) Is in writing, (2) is signed by the owner
7 and the contractor, (3) contains the entire agreement between the
8 owner and the contractor, (4) contains the date of the transaction, (5)
9 contains the name and address of the contractor and the contractor's
10 registration number, (6) contains a notice of the owner's cancellation
11 rights in accordance with the provisions of chapter 740, (7) contains a

12 starting date and completion date, and (8) is entered into by a
13 registered salesman or registered contractor. Each change in the terms
14 and conditions of a contract shall be in writing and shall be signed by
15 the owner and contractor, except that the commissioner may, by
16 regulation, dispense with the necessity for complying with the
17 requirement that each change in a home improvement contract shall be
18 in writing and signed by the owner and contractor.

19 (b) No home improvement contract shall be valid if it includes any
20 provision obligating the owner to instruct the home improvement
21 contractor, by a date determined by such contractor, that periodic
22 home improvements are not to be performed unless it also includes a
23 provision requiring the contractor to remind the owner of that
24 obligation by means of a card or letter mailed to the owner and
25 postmarked not earlier than twenty days, and not later than ten days,
26 prior to such date.

27 (c) The contractor shall provide and deliver to the owner, without
28 charge, a completed copy of the home improvement contract at the
29 time such contract is executed.

30 (d) The commissioner may, by regulation, require the inclusion of
31 additional contractual provisions.

32 (e) Each home improvement contract entered into shall be
33 considered a home solicitation sale pursuant to chapter 740 and shall
34 be subject to the requirements of said chapter regardless of the location
35 of the transaction or of the signing of the contract. Each home
36 improvement contract in which the owner agrees to repay the
37 contractor an amount loaned or advanced to the owner by the
38 contractor for the purposes of paying for the goods and services
39 provided in such contract, or which contains a finance charge, (1) shall
40 set forth the information required to be disclosed pursuant to the
41 Truth-in-Lending Act, sections 36a-675 to 36a-685, inclusive, as
42 amended, (2) shall allow the owner to pay off in advance the full
43 amount due and obtain a partial refund of any unearned finance

44 charge, and (3) may contain a finance charge set at a rate of not more
45 than the rate allowed for loans pursuant to section 37-4. As used in this
46 subsection, "finance charge" means the amount in excess of the cash
47 price for goods and services under the home improvement contract to
48 be paid by the owner for the privilege of paying the contract price in
49 installments over a period of time.

50 (f) Nothing in this section shall preclude a contractor who has
51 complied with subdivisions (1), (2), (6), (7) and (8) of subsection (a) of
52 this section from the recovery of payment for work performed based
53 on the reasonable value of services which were requested by the
54 owner, provided the court determines that it would be inequitable to
55 deny such recovery."